

**DR. ROBERT L HOLLISTER, JR.**  
**Director**

**STATE OF WASHINGTON**

**DEPARTMENT OF RETIREMENT SYSTEMS**  
*1025 E. Union · Olympia. Washington 98504 · (206) 753-5283 · (SCAN) 234-5283*

May 1, 1986

**MEMORANDUM**

DRS Notice No. 86-006

To: All PERS City or Town Employers

From: Robert L. Hollister, Jr.  
Director

Re: City Managers or Chief Administrative Officers

Effective Immediately:

All newly appointed city managers or chief administrative officers (as defined in RCW 41.40.120(17)) are EXCLUDED from membership in PERS UNLESS they exercise an option to join within THIRTY DAYS of taking office. It is critical that employers bring this matter to the attention of the affected persons so that they can make an informed decision within the time now allowed by law. If they do not choose to join PERS, they are permanently precluded from ever receiving service credit for employment in this position.

All persons currently employed in the positions described above may elect to withdraw from membership in PERS. Such member will automatically receive a refund of the contributions and accumulated interest credited during employment in that position. The refund will cancel all service previously granted for the position and these refunds can NEVER be repaid nor the service ever reestablished. Such persons are allowed until December 31, 1986 to make such an election.

Attached hereto is a copy of RCW 41.40420(17) which became effective April 4, 1986 and WAC 415-10128~500 which became effective April 17, 1986.

Copies of forms to request enrollment in PERS for the newly appointed or for current members wishing to withdraw will be provided by our Membership Section upon request at (206) 753-5292 or SCAN 234-5292'.

RLH:crs  
Attachment  
PUBLIC EMPLOYEES TEACHERS STATE PATROL JUDGES'  
JUDICIAL LAW ENFORCEMENT FIRE~WTERS & ELIGI  
(20.) 753-5283 753-7320 753-2075 753-2075

3 (17) The city manager or chief administrative officer of a city  
4 or town who serves at the pleasure of an appointing authority:  
5 PROVIDED, That such persons shall have the option of applying for  
6 membership within thirty days from date of their appointment to such  
7 positions. Persons serving in such Positions as of the effective  
8 date of this 1986 act shall continue to be members in the retirement  
9 system unless they notify the director in writing prior to December  
10 31, 1986, of their desire to withdraw from membership in the  
11 retirement system. A member who withdraws from membership in the  
12 system under this section shall receive a refund of the member's  
13 accumulated contributions.

## NEW SECTION

WAC 415-108-500 -- Public Employees Retirement Board

The purpose of the WAC is to implement the provisions of RCW 41.40.120(17) relating to city managers.

Effective immediately and until December 31, 1986 any current member described in RCW 41.40.120(17) may, at his/her option, elect to withdraw from membership in the retirement system provided by chapter 41.40 RCW. Such election is to be made in writing on a form provided for that purpose by the department. Persons making this election will be

refunded the contributions and related interest which were credited while in their current position. The effect of such a withdrawal will be to terminate and cancel the service credit acquired while in that position. Such action is final and no service credit may ever be obtained in the future for the period cancelled.

Effective immediately any person described in RCW 41.40.120(17) who is employed in one of the positions described shall not become a member of the system provided by chapter 41.40 RCW unless within thirty (30) days of employment in such position he/she shall submit in writing on a form, provided by the department, a waiver of his/her right to be excluded and requesting his/her inclusion in the system. Such a person may not then subsequently withdraw from the system except as provided by RCW 41.40.260 or 41.40.730 as appropriate.